

Aggregate Productivity Value

- State determines aggregate productivity value 441.21 & 701-71.3; 701-71.12
- County Assessor spreads or distributes aggregate productivity value to each parcel 441.21
- Question comes into play during the distribution of the productivity value

How should the productivity value be spread? 441.21

- Only use CSRs as distribution mechanism with no consideration for land use?
- •Consider CSRs as well as land use for row crop or non-row crop land; adjusting for non crop land?

Productivity Value Distribution

- CSRs
- Other Methods
- County Practices
 - Spots/lines; timber; permanent pasture; frequently flooded; CRP; non-crossable water; tiled or un-tiled ratings; permanent easements

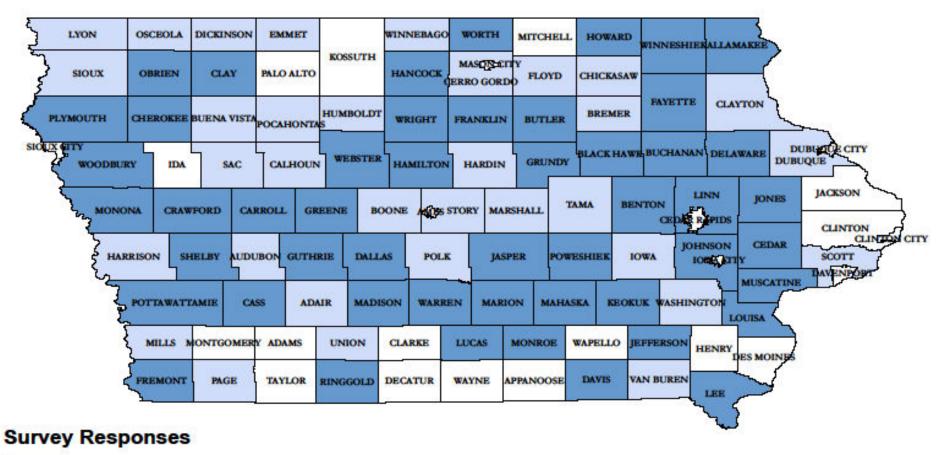
What do we know?

- 15 counties are not using CSRs
- Digital soil surveys are available for all counties from at least the 1970s
- 92 counties have digital parcels
- 53 counties continue to use manual processes for agricultural land values

How did we get here?

- 2011:
 - 10 counties implemented GIS solutions to calculating CSRs
- **o** 2009:
 - 7 counties implemented GIS solutions to calculating CSRs

Survey of Land Use Adjustments



No Response

Adjustments The map is based on survey results gathered July 1, 2011. No Adjustments

lowa Department of Revenue Property Tax Division Created 6/6/2012 slc

Where are we today?

- 44 counties adjust for land use
- 50 counties do not adjust for land use
- 5 unknown
- Trend will continue: at least 4 counties intend to implement GIS for 2013

421.17 Powers and Duties

For the purpose of bringing about uniformity and equalization of assessments throughout the state of lowa, the director shall prescribe rules relating to the standards of value to be used by assessing authorities in the determination, assessment and equalization of actual value for assessment purposes of all property subject to taxation.....

Proposed Solution

- Develop method for uniformity and consistency through use of GIS tools
- Recognize limitations and strengths of CSRs
- Recognize limitations and strengths of FSA land use layer
- Standardize method to address high CSRs on non-row crop land
- Use known data sources; USDA; NASS; FSA

Estimated outcomes:

- Greatest impact isOf these 10 in 10 south central counties
- Range in shifted \$/CSR 10% to 15.7%
- The largest impact estimated of 15.7% the county does not know if adjustments exist

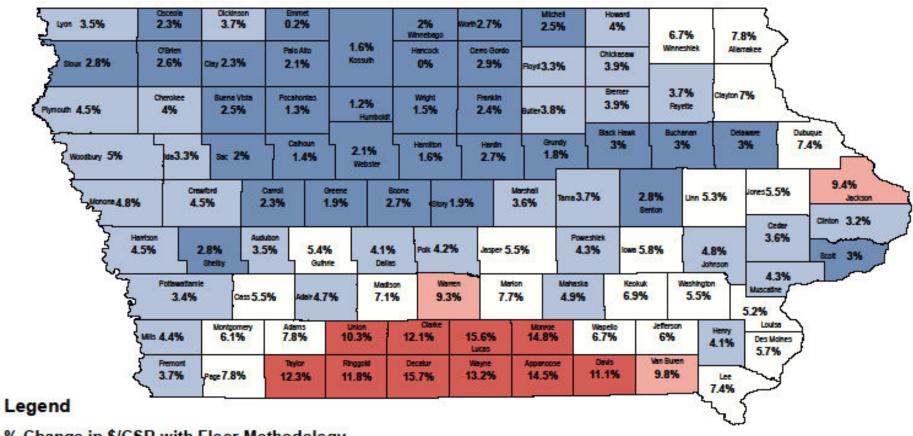
- counties
 - 2 adjust
 - 2 do not adjust
 - 5 do not know
 - 1 does some adjustments

Other estimated outcomes:

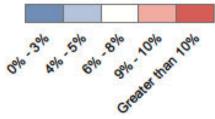
- <3% shift
 - 33 counties
 - 18 adjust
 - 15 do not adjust
- o 4%-5% shift
 - 31 counties
 - 14 adjust
 - 15 do not adjust
 - o 2 do not know

- o 6%-8% shift
 - 22 counties
 - 8 adjust
 - 13 do not adjust
 - o 2 do not know
- o 9%-10% shift
 - 3 counties
 - 2 adjust
 - 1 does not adjust

Percentage of Change in Dollars per CSR with Floor Methodology



% Change in \$/CSR with Floor Methodology



Proposed Rule:

- 71.3(1) Would add additional language requiring assessors to consider adjustments to non-row cropped land with CSR ratings that are greater than 50% of the average tillable CSR rating for the county
- Would **not** change 71.12 which is the productivity formula.

Questions?